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VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd
Chief Clerk/Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Actions in Response to COVID-19
Docket No. 2020-106-A

Dear Ms. Boyd:

By Order No. 2020-372 ("Order"), dated May 14, 2020, issued in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") required utilities to track revenue impacts, incremental cost and savings related to COVID-19.[1] In furtherance of this requirement, utilities are required to file their findings with the Commission on a quarterly basis. In compliance with Commission Order No. 2020-372, Dominion Energy South Carolina, Inc. ("DESC" or "Company") provides the Commission and the South Carolina Office of Regulatory Staff ("ORS") with the following financial information for its retail electric and natural gas operations as of September 30, 2021.[2]

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[1] Executive Order No. 2021-25 issued in response to the COVID-19 pandemic and declaring a State of Emergency in South Carolina expired on June 6, 2021, and it has not been renewed or extended. Accordingly, the State of Emergency related to the COVID-19 pandemic is no longer in effect.

[2] Unless instructed otherwise, the Company will continue to file future quarterly COVID-19 financial reports 75 days after the end of the quarter, which is consistent with the Commission's quarterly financial reporting requirements for DESC's retail electric and natural gas operations. *See* Docket No. 2006-286-EG styled as "Dominion Energy South Carolina, Incorporated's (f/k/a South Carolina Electric & Gas Company's) Quarterly Financial Report." Accordingly, DESC will file its next quarterly COVID-19 financial report on or before March 16, 2022, which will include updated information for the quarter ended December 31, 2021.

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I. Revenue Impacts.

A. Margin Revenue. As previously reported, the Company has ceased tracking the impact of COVID-19 on its business due the difficulty in determining whether any lower margin revenue was truly associated with COVID-19 or some other cause, such as weather. Unless another State of Emergency is issued which forces businesses to close again, DESC has concluded that COVID-19, including the COVID-19 delta variant, is not materially impacting the Company's business.

B. Late-Payment Charges. DESC waived late-payment charges for its electric and natural gas utility accounts during the time period March 16, 2020 to September 30, 2020. During this time period, the Company waived approximately $6.1 million in late-payment charges. As previously reported to the Commission, the Company reinstituted late-payment charges in September 2020.

C. Reconnection Charges. For those customers whose service had been disconnected as of March 16, 2020, DESC waived the reconnection charge, which totaled approximately $10,000. In September 2020, the Company resumed reconnection charges but during the time period within which the Company waived reconnection charges, DESC estimates that customers avoided approximately $600,000 in reconnection charges that they would have otherwise incurred.

D. Customer Arrears. During this reporting period, pursuant to Commission Order No. 2021-570 dated August 16, 2021, issued in Docket No. 2020-125-E, the Company issued credits on August 28, 2021, to certain customers' bills totaling approximately $11.3 million which had the effect of forgiving all active electric customer balances more than 60 days past due (including outstanding payment plan balances) as of May 31, 2021; approximately 41,000 electric accounts received this benefit. As of September 30, 2021, the total amount of customer arrears for active utility accounts is approximately $32.8 million.[3] Of the total amount of customer arrears for active utility accounts, approximately $22.3 million represents bills that are 1 to 30 days past due; approximately $7.2 million represents bills that are 31 to 60 days past due; and approximately $3.3 million represents bills that are more than 60 days past due.

With the reinstatement of late payment charges, the disconnection for nonpayment in September 2020, along with the re-opening of businesses across its service territory, the Company has reported that it did not expect further significant

[3] Please note that this amount does not include amounts owed by customers whose accounts are in arrears but have contacted the Company and enrolled in a payment plan.

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impact on its bad debt expense as a result of COVID-19. Indeed, in its report dated March 16, 2021, for the quarter ended December 31, 2020, the Company estimated that the cumulative incremental impact of COVID-19 on its bad debt expense was approximately $6.5 million.

II. Incremental Costs.

DESC has incurred incremental cost as a result of the COVID-19 pandemic. These costs include increased operation and maintenance expenses ("O&M") for items such as masks, hand sanitizer, cleaning supplies, personal protection equipment and supplies to enable employees to work from home. The Company has also incurred incremental cost as result of hiring vendors to conduct temperature checks for persons requiring access to a DESC facility. DESC has also experienced increased technology costs for the remote working environment and minor amounts of over time labor for certain employees.

Additionally, at the outset of the pandemic, DESC took precautionary steps for certain employees to shelter-in-place at their work location in order to ensure that the Company continued to provide safe and reliable electric and natural gas service to its customers. To this end, the Company arranged for food service and other various sequestration supplies.

This is not an exhaustive list of the incremental cost that DESC has incurred in its response to COVID-19, but it represents a cross-section of the types of incremental expenses that the Company has incurred. Since the beginning of the crisis and through September 30, 2021, DESC has incurred approximately $5.2 million in incremental cost as a result of COVID-19.

III. Savings.

During the COVID-19 crisis, the Company has ceased certain activities, but the Company does not classify the reduction in costs associated with the cessation of these activities as "savings." Instead, these reduced costs only partially offset the decreased margin revenue that the Company experienced. In other words, DESC has not experienced any overall "savings" as a result of COVID-19, and the Company anticipates incurring these costs again in the future. Accordingly, the Company does not have a tracking mechanism for these categories of expense.

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If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,

K. Chad Burgess

KCB/tmh

cc: All Parties of Record
(all via electronic mail only)